

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

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| IN RE: CENTURYTEL OF CHESTER, INC. | DOCKET NO. SPU-99-11 (SPU-99-1) |
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ORDER SUSPENDING DIALING PARITY REQUIREMENTS

(Issued May 6, 1999)

On April 22, 1999, CenturyTel of Chester, Inc. (CenturyTel), filed a petition to suspend the dialing parity requirements of § 251(b)(3) of the federal Telecommunications Act of 1996, 47 U.S.C. § 251(b)(3). Section 251(b)(3) requires, among other things, each telecommunications carrier to provide dialing parity to competing providers of telephone exchange service and telephone toll service. Section 251(f)(2) permits the Board to suspend or modify the application of any requirement of § 251(b) or (c) for rural carriers, which are defined as local exchange carriers with fewer than two percent of the nation's subscriber lines. The Board may grant a suspension or modification if it determines it is:

1. Necessary to avoid significant adverse economic impact on users, to avoid imposing a requirement that is unduly economically burdensome, or to avoid imposing a requirement that is technically infeasible, and
2. Consistent with the public interest, convenience, and necessity.

47 U.S.C. § 251(f)(2). Because the dialing parity requirements are authorized pursuant to subsection (b) of § 251, the Board may suspend the requirements for a rural carrier.

In support of its petition , CenturyTel states that it is a rural telephone company, as defined, because it serves less than two percent of the nation's installed telephone lines, in the aggregate. CenturyTel is a subsidiary of Century Telephone Enterprises, Inc. (CTE), which is the parent of various rural carriers throughout the United States. As of March 31, 1999, CTE (through its subsidiaries) serves 0.7 percent of the nation's installed subscriber lines, in the aggregate. In Iowa , CenturyTel provides local exchange service to 192 access lines in and around Chester, Iowa, along with 52 lines located in Minnesota.

CenturyTel states that the switch it uses to provide service to its Iowa and Minnesota access lines, a DMS-10 CAMA switch, is incapable of offering dialing parity. A new switch is scheduled for installation by the end of the first quarter of 2000. Until the new switch is installed, it is technically infeasible for CenturyTel to offer dialing parity. After installation of the new switch, CenturyTel expects to be able to offer dialing parity by the end of the second quarter of 2000.

Finally, CenturyTel submits that suspension of the dialing parity requirements as applied to CenturyTel will serve the public interest, convenience, and necessity. CenturyTel states that accelerated replacement or upgrade of the existing switch would result in a significant adverse impact on its customers because of the increased costs associated with expedited replacement or upgrade. Relief from the dialing parity requirements would be only temporary; as soon as it is technically feasible, CenturyTel will notify the Board and submit an implementation plan.

Based upon the information submitted by CenturyTel, the Board will grant the requested suspension of the dialing parity requirements of 47 U.S.C. § 251(b)(3).

CenturyTel is a rural carrier, as defined in the Act; CenturyTel's present switch makes dialing parity technically infeasible; accelerated switch replacement or upgrade would be unduly economically burdensome; and the public interest, convenience, and necessity will best be served by a limited suspension of the dialing parity requirements. The dialing parity requirements are suspended until June 30, 2000. CenturyTel shall file with the Board, no later than March 31, 2000, a plan for implementation of dialing parity no later than June 30, 2000.

IT IS THEREFORE ORDERED:

1. The "Petition Of CenturyTel of Chester, Inc., To Suspend The Dialing Parity Requirements For A Rural Local Exchange Carrier," filed with the Board on April 22, 1999, and identified as Docket No. SPU-99-11 (SPU-99-1), is granted. As applied to CenturyTel, the dialing parity requirements of 47 U.S.C. § 251(b)(3) are suspended, pursuant to 47 U.S.C. § 251(f)(2), until June 30, 2000.

2. As soon as it is technically feasible, and no later than March 31, 2000, CenturyTel shall file with the Board a plan for implementation of dialing parity no later than June 30, 2000.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Raymond K. Vawter, Jr.
Executive Secretary

Dated at Des Moines, Iowa, this 6th day of May, 1999.